



Z FOR SUSTAINABLE DEVELOPMENT
Sustainability Matters

CBAM ADVISORY · 2026 EDITION

The Exporter's Guide to CBAM

What the EU Carbon Border Adjustment Mechanism means for your business — and how to prepare for the definitive regime.

01 What is CBAM?

The **Carbon Border Adjustment Mechanism (CBAM)** is the European Union's tool to address *carbon leakage* — the risk that EU climate rules push carbon-intensive production to countries with weaker regulations. CBAM ensures the price of certain imports reflects the carbon emissions embedded in their production, putting imported and EU-made goods on an equal carbon footing. It complements the EU Emissions Trading System (EU ETS).



2023–2025 — Transitional phase

Reporting obligations only — no financial payments due.



1 Jan 2026 — Definitive regime

Full obligations: authorisation, reporting, and CBAM certificates.

In short: since 1 January 2026, CBAM is fully operational and carries real financial obligations for EU importers — and, indirectly, for the exporters who supply them.

02 Which sectors are covered?

CBAM currently applies to imports in six carbon-intensive sectors. If your business exports any of the following to the EU, CBAM affects you:

Cement Clinker and cement products.	Iron & Steel Primary and downstream steel goods.
Aluminium Raw and semi-finished aluminium.	Fertilisers Nitrogen-based fertiliser products.
Electricity Imported grid electricity.	Hydrogen Hydrogen as an energy carrier.

Note: covered goods are defined by their CN (Combined Nomenclature) codes, and the scope of CBAM may expand to further sectors over time.

03 How CBAM works

- **Authorised declarant:** only authorised importers may bring covered goods into the EU.
 - **Reporting:** importers report the embedded emissions of the goods they import.
 - **Certificates:** importers buy and surrender CBAM certificates matching those emissions.
 - **Price:** the certificate price is linked to EU ETS allowance auction prices, published regularly.
 - **Verification:** embedded emissions must be checked by accredited verifiers.
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The exporter's role

EU importers depend on you — the producer — for accurate, verifiable emissions data on the goods you supply. Increasingly, providing this data is becoming a condition of doing business with European buyers. Exporters who can supply clean, well-documented emissions figures protect their contracts; those who cannot risk being replaced.

04 Why it matters for exporters

01 Your EU buyers will ask

Importers need verified embedded-emissions data from you to file their declarations. Suppliers who cannot provide it risk losing the contract.

02 Market access is at stake

Untracked emissions translate into higher certificate costs for your buyers — making your goods less competitive in the European market.

03 Carbon cost can be managed

With accurate measurement and a decarbonisation plan, carbon costs can be reduced and even turned into a competitive advantage.

Your CBAM readiness checklist

- ☐ Identify whether your products fall under CBAM (by CN code).
- ☐ Map your EU customers and export volumes.
- ☐ Establish a system to measure embedded emissions per product.
- ☐ Prepare the documentation your EU importers will request.
- ☐ Assess your carbon-cost exposure and reduction options.
- ☐ Train your team on CBAM data and reporting requirements.

05 How ZSD can help

ZSD is a leading consulting expert in economic sustainable development in Egypt and the Middle East. We help exporters turn CBAM from a compliance burden into a managed, strategic advantage.

Compliance & Reporting

- Embedded-emissions calculation for your products
- Preparation of CBAM reports and declarations
- Registration and filing in the CBAM Registry
- Coordination with accredited verifiers
- Ongoing compliance monitoring

Strategic Consulting

- CBAM exposure and impact assessment
- Decarbonisation roadmap
- Market diversification strategy
- Team training and capacity building
- Carbon cost-optimisation

Ready to protect your European market?

Book a consultation with ZSD's sustainability advisors.

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